

**DM-74-G**

July 23, 1993

**To All Division Managers**

**SUBJECT: RJR Price Rollback**

We are currently in the process of developing wholesale and retail programs in response to Philip Morris' wholesale and retail price reduction programs. You will receive details of our program the week of July 26.

Effective immediately, you should begin notifying your customers to balance inventories between now and August 9. Inventories should be adjusted as appropriate by brand style to allow for a more immediate transition to our new lower prices (full-price/mid-price). However, care should be taken not to create out-of-stock conditions which could result in lost profits for the wholesaler, retailer and RJR.

The WINSTON Summer Promotion \$4.00/40¢ off product remains available for order. You should encourage direct accounts to order their full program entitlement where possible since the list price and incentives on this product represent an incremental \$18.60 per case value to them.

R. J. Reynolds Tobacco Company

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